



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
601 Delaware Avenue  
Wilmington, Delaware 19899

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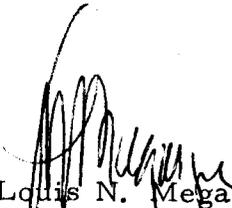
March 16, 1976

- License Requirements & Taxes - Non-Profit Organizations

Questions have been raised regarding the license requirements of certain non-profit organizations.

In general, non-profit organizations are subject to all licensing requirements and taxes imposed unless specifically exempt by law. Section 2301 (0), Title 30, Delaware Code, specifically exempts non-profit organizations (which qualify for exemption under Section 501 of the Federal Internal Revenue Code) from the occupational license requirements and taxes imposed under Section 2301 (b) and (d), Title 30, relating to "general service" licenses.

On the other hand, non-profit organizations are not exempt from the license requirements and taxes imposed under Chapter 43, Title 30, relating to the tax on leases of tangible personal property for use within this State. Similarly, such organizations are subject to the tax imposed under Chapter 61, Title 30, relating to the tax on occupancy of hotel and motel rooms unless it is a charitable or educational organization that owns and operates the facility for their own purposes, e. g. , a student dormitory.



Louis N. Megargee  
Director of Revenue

RRS/scw

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